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CONTRIBUTION OF THE UNITED NATIONS ENVIRONMENT PROGRAMME TO THE UNITED NATIONS MEDIUM-TERM PLAN FOR THE PERIOD 2002-2005

Report by the Executive Director

INTRODUCTION

1. The present report contains the contribution, developed by the United Nations Environment Programme (UNEP) with inputs from the Committee of Permanent Representatives to UNEP, to the United Nations medium-term plan for the period 2002-2005.

2. The document is before the High-level Committee of Ministers and Officials for its review and endorsement, as called for in the memorandum dated 9 February 1999, from Mr. Jean-Pierre Halbwachs, Assistant Secretary-General, Controller of the United Nations.

Suggested action by the High-level Committee of Ministers and Officials

3. The High-level Committee of Ministers and Officials may wish to review, provide its comments on and endorse the draft UNEP medium-term plan for the period 2002-2005, as developed by the Committee of Permanent Representatives together with the UNEP secretariat.

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I. SUMMARY REPORT OF THE INTERGOVERNMENTAL CONSULTATIVE PROCESS OF THE COMMITTEE OF PERMANENT REPRESENTATIVES ON THE UNEP MEDIUM-TERM PLAN FOR THE PERIOD 2002-2005

A. Process of consultation between UNEP and the Committee of Permanent Representatives

4. The United Nations Environment Programme (UNEP) carried out consultations with the Committee of Permanent Representatives in conformity with United Nations General Assembly resolutions 51/219 of 18 December 1996 and 53/207 of 18 December 1998, which emphasized the importance of the consultative process with Member States. This was to ensure that intergovernmental bodies were accorded an opportunity to review the medium-term plan, with a view to taking their inputs into account when finalizing the document.

5. Subcommittee I of the Committee of Permanent Representatives met on 8 and 14 September 1999 with the aim of eliciting the views and agreement of Member States on the overall orientation of the medium-term plan for the period 2002-2005, including the overarching objectives, specific objectives, expected general and specific accomplishments for all the seven subprogrammes of the UNEP programme.

6. The first draft medium-term plan for the period 2002-2005 was circulated to the members of the Committee of Permanent Representatives on 8 July 1999, with the request that comments be submitted to the UNEP secretariat by 15 August. Three Governments submitted written comments. At its sixty-eighth meeting, on 1 September 1999, the Committee of Permanent Representatives made general comments and observations and decided that Subcommittee I, on programme matters, together with the secretariat, should review the document in detail and provide comments thereon. Subcommittee I met on 8 and 14 September 1999 to provide further comments on the draft medium-term plan and it was on the basis of those comments that the draft document was finalized by the UNEP secretariat.

7. The plan, in its current form, builds on the comments of the Committee of Permanent Representatives, notably its Subcommittee I. It also takes into account the ongoing process of in-house consultations, discussions and reviews by the directors of the divisions responsible for achieving the overall objectives and the UNEP Senior Management Group.

8. It was UNEP which facilitated the process of intensive consultations that have taken place on this document, drawing interlinkages and dependencies between the various subprogrammes. Particular efforts were made to ensure that the overall objectives and expected general and specific accomplishments under each subprogramme reflected the functional integration of the Programme and the organizational structure of UNEP.

9. The Subcommittee's attention was drawn to the departure from the traditional form and practice, since the draft medium-term plan submitted to the members of the Committee of Permanent Representatives does not directly highlight major environmental issues such as freshwater, oceans, biodiversity, land degradation, forests, health, in a sectoral manner.

10. The plan is, however, in conformity with the new organizational structure of UNEP and maintains focus, efficiency and effectiveness. The new presentation and structure do not imply that any of the major environmental issues will receive less attention in the Programme. Indeed they will receive full and focused attention.

11. The functional character of this policy framework is that it analyses the challenges posed by environmental problems and sets out policy goals that cut across administrative boundaries. The key elements of this integrated approach to environmental management are reflected in the present draft document:

(a) Identification of environmental themes as the basis for policy;

(b) Identification of target groups as partners in policy development and implementation; and

(c) Process of internal integration in environmental policy making.

12. The focus of functional integration is to displace the traditional compartmentalization of environmental problems, so that policy makers work with cross-cutting concepts that allow all aspects of an ecological issue to be addressed.

13. Essentially, the intergovernmental consultative process is intended to ensure that UNEP presents a forward-looking planning document that takes into account the views of the Committee of Permanent Representatives as well as the requirements prescribed by United Nations Headquarters.

14. In particular, the Subcommittee took cognizance of requirements for the format and substance stipulated by Jean-Pierre Halbwachs, Assistant Secretary-General, Controller of the United Nations, regarding the preparation of the medium-term plan for the period 2002-2005.

15. Pursuant to those requirements, the overall narrative for each of the programmes should not be more than one-page single-spaced and should describe the overall orientation of the programme by indicating the broad approach or strategy in pursuit of mandated objectives. Specific activities and outputs should not be described. In addition, the narrative must reflect those mandates which provide strategic direction for the programme and therefore govern the overall work of the department or office responsible for the programme. It must indicate the expected accomplishments by the end of the plan period and indicate the organizational unit responsible for achieving the overall objectives.

16. The first section of the UNEP medium-term plan, entitled "Orientation", closely adheres to this requirement.

17. Regarding the subprogrammes, the instructions state that the programme managers should undertake a comprehensive review of their current programme and subprogrammes to determine their contribution to the overall goals of the United Nations Organization and the most effective way to implement their mandates in a more coordinated manner.

18. The instructions further state that the programme framework will continue to reflect congruence between the programmatic and organizational structures, so as to enhance accountability and foster the link between the plan and the programme budget. It is therefore essential that each subprogramme cover an area of activity entrusted to one major organizational unit within a department or office. Thus, responsibility will be clearly identified for planned accomplishments and for the delivery of programme.

19. The instructions also call for consideration to be given to the regrouping or clustering of activities in order to link them to the overall objectives of the programme. Subprogrammes should correspond to an organizational unit within the department or office, normally at the level of a division.

20. Once it has been cleared by the Committee of Permanent Representatives, the final draft will be presented for endorsement to the High-Level Committee of Ministers and Officials at its fourth meeting, in Bonn on 1 November 1999. The secretariat will, as appropriate, revise the document in the light of the comments that the Bonn meeting may propose prior to submission to United Nations Headquarters in New York, in time to meet the deadline of 1 December 1999.

B. General observations by the members of the Committee of Permanent Representatives

21. The members of the Committee of Permanent Representatives made the following general observations and comments.

22. On the expected overall accomplishments, one representative proposed that the performance indicators be specified for each of the subprogrammes. Another representative also proposed that close linkages be established between the objectives of the medium-term plan and the relevant decisions of the UNEP Governing Council.

23. Some representatives suggested that there be a detailed description of outputs and activities. The secretariat drew attention to the fact that the instructions provided by United Nations Headquarters had urged that the submission should refrain from specifying activities and outputs. Other representatives, justifiably, recommended that the medium-term plan should contain a clear indication of the strategic direction of the plan and the expected accomplishments and products at the end of its life span, i.e., 2005.

24. Some representatives also proposed that the medium-term plan be reviewed from time to time. The secretariat explained that the United Nations Committee on Programme Coordination had made provision for such an exercise and that the intervening sessions of the UNEP Governing Council (i.e., 2003 and 2005) would, in many respects, provide additional opportunities for that purpose. The Subcommittee also agreed with a suggestion by one representative that the overall orientation of the medium-term plan should indicate the three or four themes which would be accorded a high degree of attention, such as environmental assessment, the increased advocacy role of UNEP and more focused international cooperation.

25. One representative drew the Subcommittee's attention to the need for clarity in describing the scope and nature of the role of non-governmental organizations. Some representatives, including those who are currently chairs of certain intergovernmental bodies, commented that the draft medium-term plan was being reviewed at headquarters and that the comments received would be subsequently brought to the attention of the High-level Committee of Ministers and Officials.

26. A proposal was made to the effect that the working documents for the High-level Committee of Ministers and Officials, where possible, should be placed on the worldwide web for easier and quicker access by their capitals. One representative emphasized that the document should not give the impression that UNEP was involved in development assistance or in aid-delivery. The role of UNEP was to facilitate and catalyse action.

C. Proposals and inputs specific to the section on the overall orientation of the medium-term plan as a whole

27. One representative, commenting on the first draft, said that economic liberalization could lead to more competition which could enhance cleaner production and pointed out that trade liberalization did not necessarily induce negative environmental impacts. Another representative was of the view that too much emphasis was placed on "early warning", and when what was really needed was greater attention to the role of UNEP in setting the global environmental agenda.

D. Proposals and inputs specific to the respective subprogrammes

28. To a large extent, the members of the Subcommittee were satisfied with the incorporation of their inputs in the revisions made. The secretariat also worked with a member of the Subcommittee in further reviewing the draft document. The member was satisfied that his Government's concerns were now duly and appropriately reflected in the current document. Set out below are the specific suggestions from some representatives:

29. Referring to subprogramme 1, one representative emphasized the importance of the role of UNEP in scientific research with regard to the identification of emerging environmental issues.

30. With regard to subprogramme 2, one representative indicated that the description of the role of non-governmental organizations should take into account their observer status and that their participation in decision-making was not anticipated in certain countries. Another representative discussed the issue of stable, predictable and adequate funding for UNEP activities. There was a need to make a distinction between the administrative and substantive role of UNEP in that area.

31. Turning to subprogramme 3, one representative proposed that the need for financial assistance by developing countries for their adoption or acceptance of environmentally-sound technologies should be emphasized. Another representative pointed out that the role of UNEP in the area of compliance and enforcement should be clearly defined. It should be limited to the identification of trends in non-compliance so as to ensure appropriate reporting to Governments.

32. With regard to subprogramme 5, one representative called for coherence in and proper linkages between the decisions made at UNEP headquarters or by the UNEP Governing Council and regional delivery. The representative also emphasized the need for responses to environmental emergencies where affected countries so requested. Another representative proposed that there should be a clear emphasis on the importance of revitalizing the regional seas programme.

33. One representative, referring to subprogramme 6, strongly recommended that reference should be made to the provisions of General Assembly resolution 53/242 of 28 July 1999, in particular its paragraph 7, which states that the Assembly supports the proposals for the facilitation of and support for enhancing linkages and coordination within and among environmental and environment-related conventions, including by UNEP, with full respect for the status of the respective convention secretariats and the autonomous decision-making prerogatives of the conferences of the parties to the conventions concerned, and emphasizes in this regard the need to provide UNEP with adequate resources to perform this task.

34. As agreed at the end of the Subcommittee I meeting of 14 September 1999, the secretariat has re-examined all the inputs or comments made and has, accordingly, prepared the final draft for the consideration of the forthcoming High-level Committee of Ministers and Officials meeting to be held in Bonn on 1 November 1999, where there will be an opportunity for a final review of the medium-term plan. The draft UNEP medium-term plan for the period 2002-2005 is provided below.

II. DRAFT UNEP MEDIUM-TERM PLAN FOR THE PERIOD 2002-2005

A. Orientation

35. Building on the Nairobi Declaration on the Role and Mandate of the United Nations Environment Programme and the decisions of the Governing Council at its twentieth session and taking into account the new functions of UNEP, the medium-term plan will provide strategic direction for keeping under comprehensive review the state of the global environment, as well as its trends and conditions, while developing appropriate policy responses and providing early warning on the basis of the regional and global environment outlook. The plan will have the following orientation:

(a) To fill the information and knowledge gaps on critical environmental issues through a more comprehensive assessment;

(b) To advocate for appropriate integrated policy measures in tackling the root causes of major environmental concerns;

(c) To mobilize action for greater international and United Nations system-wide cooperation in dealing with them. The strategic goals of the UNEP medium-term plan will include:

(i) To chart a new course for the global environmental agenda by providing early warning on the critical and new environmental issues that are likely to have serious impacts on human health and well-being as well as on the economies of nations;

(ii) To strengthen the advocacy role of UNEP, especially with regard to:

a. The root causes of environmental problems;

b. Better integration of environmental consideration of governmental and intergovernmental decision-making;

c. More comprehensive and integrated policy instruments, including legal, economic and other tools;

(d) To provide leadership for the better integration of international action to improve the environment, particularly in relation to regional and multilateral agreements, as well as United Nations system-wide collaborative arrangements.

B. Mandates providing strategic direction

36. The mandates providing strategic direction were drawn from the Declaration of the United Nations Conference on Human Environment (Stockholm Declaration) of 16 June 1972; General Assembly resolutions 2997 (XXVII) of 15 December 1972, 42/186 of 11 December 1987, 47/190 of 22 December 1992, 48/174 of 21 December 1993, S-19/2 of 28 June 1997; the Rio Declaration and Agenda 21 (especially its chapter 38); Commission on Sustainable Development decisions; and Governing Council decisions, especially 18/1 of 26 May 1995, 19/1 (Nairobi Declaration) of 7 February 1997, SS.V/2 of 22 May 1998 and 20/3 of 3 February 1999.

C. Benchmarks and milestones envisaged for the end of 2005

37. The following are envisaged for the end of 2005:

(a) Strengthened assessment capabilities, especially in relation to the interlinkages of major environmental issues;

(b) Comprehensive and integrated reporting on the major environmental concerns, trends and emerging issues, together with their causes, as well as social and economic impacts which are likely to dominate the first decade of the twenty-first century;

(c) Environmental perspectives on key issues likely to be on the centre stage of the global environmental agenda of the twenty-first century;

(c) Sound assessment of environmental trends and conditions at the national, regional and global levels for updating the global environmental agenda through intergovernmental dialogue;

(d) More comprehensive integrated policy-making to deal with some of the critical issues identified in subprogramme 1, especially those relating to escalating environmental problems and to new and emerging issues;

(e) Improved United Nations system-wide coordination on environmental issues through the operationalization of the Environmental Management Group;

(f) New negotiations initiated and agreements concluded on certain emerging issues;

(g) New forms of technical cooperation developed in the transfer of environmentally sound and appropriate technologies;

(h) Strengthened capacities for supporting international responses to environmental emergencies;

(i) Binding and non-binding agreements on some critical and emerging environmental concerns;

(j) Greater worldwide use of technologies, products and services which are cleaner and safer, the more efficient use of energy and water and reduced pollution and risks for humans and their environments;

(k) Greater leadership role in coordination and cooperation with Governments, United Nations agencies and other partners in tackling major environmental issues of crucial concern;

(l) Updated and revitalized regional seas programme;

(m) More structured and coherent collaborative arrangements between the conventions (regional and global);

(n) Heightened environmental awareness among the public, leading to new actions and initiatives at all levels of society;

(o) Innovative local solutions, including public participation, to environmental problems;

(p) Wider use of the new information technology, including the worldwide web, in disseminating environmental information.

D. Organizational units responsible for achieving the overall objectives

38. The responsibility of achieving the overall goals will be entrusted to the Division of Environmental Information, Assessment and Early Warning; the Division of Environmental Policy Development and Law; the Division of Environmental Policy Implementation; the Division of Technology, Industry and Economics; the Division of Regional Cooperation and Representation; the Division of Environmental Conventions; and the Communications and Public Information Branch.

E. Subprogrammes

39. Set out below are the seven subprogrammes to be implemented:

(a) Subprogramme 1: Environmental assessment and early warning;

(b) Subprogramme 2: Policy development and law;

(c) Subprogramme 3: Policy implementation;

(d) Subprogramme 4: Technology, industry and economics;

(e) Subprogramme 5: Regional cooperation and representation;

(f) Subprogramme 6: Environmental conventions; and

(g) Subprogramme 7: Communication and public information.

1. Subprogramme 1: Environmental assessment and early warning

40. This subprogramme provides the basis for analysing the state of the global environment, trends and conditions, and for providing early warning information on emerging issues and environmental threats, based on the best scientific and technical capabilities available. In addition, it will serve as a basis for intergovernmental dialogue on setting the global environmental agenda. The work to be carried out under this subprogramme will be integrally linked to the goals of the other subprogrammes, particularly subprogramme 2: Policy development and law and subprogramme 5: Regional cooperation and representation.

41. The overarching objectives of this subprogramme are:

(a) To improve decision-making, by providing information on the global environmental trends and conditions and emerging issues;

(b) To provide information essential for policy review, analysis and development; and

(c) To develop an effective global observing and assessment system.

42. The specific objectives of this subprogramme are:

(a) To develop a more comprehensive and efficient data-collection system, necessary for observing and managing global environmental change through a wide range of partnerships with data providers;

(b) To compile and analyse relevant data, information and knowledge on strategic sectoral and global issues;

(c) To assess and report on the state of the regional and global environment, identifying environmental trends, threats and emerging issues;

(d) To disseminate, for the purpose of improving decision-making, updated environmental data, indicators and information for the global community;

(e) To strengthen the coherence and efficiency of the United Nations system-wide Earthwatch;

(f) To reinforce links with the scientific community in furtherance of policy-relevant environmental research;

(g) To complete the global international waters assessment financed by GEF and the international community; and

(h) To undertake an assessment of the state of the global marine environment.

43. The expected accomplishments include:

(a) The identification of global environmental priority issues and potential disasters, which are likely to impose constraints on national and regional economies, in the first decade of the twenty-first century;

(b) Improved environmental data and quality.

44. The specific accomplishments include:

(a) Identification of major environmental concerns, trends and emerging issues together with their root causes, in order to facilitate policy review, analysis and development, and to mobilize international action within the framework of subprogramme 2;

(b) Enhanced coordination of environmental assessments and early warning through an international cooperative assessment framework;

(c) Improved capabilities of identifying major emerging environmental problems, threats and emergencies, as well response strategies and methodologists;

(d) Better targeted and focused dissemination and exchange of environmental data and information among countries;

(e) Global international waters assessment; and

(f) Updated report on the state of the global marine environment.

2. Subprogramme 2: Policy development and law

45. This subprogramme will provide a framework for environmental policy review and analysis. It will also facilitate the monitoring of current policies for the purpose of formulating and developing alternative or additional policy, legal, economic and other instruments. The subprogramme will enable UNEP to keep under continuous review the performance of environmental policies, including international agreements. Through the subprogramme, United Nations system-wide coordination and cooperation on the

environment will be strengthened. The subprogramme will have a strong bearing on the work of the other subprogrammes especially subprogramme 1: Environmental assessment and early warning; subprogramme 4: Technology, industry and economics; subprogramme 5: Regional cooperation and representation; and subprogramme 6: Environmental conventions.

46. The overarching objectives of this subprogramme are:

(a) To ensure a continuous assessment of the performance of environmental policies, including international agreements;

(b) To work with Governments, their intergovernmental bodies and relevant organizations in the design of new integrated policy packages to tackle the root causes of critical environmental concerns identified, inter alia in subprogramme 1, notably the regional and global environment outlook reports;

(c) To promote a better integration of environmental considerations in governmental and intergovernmental decision-making;

(d) To promote a better integration of international action in the implementation of the global environmental agenda.

47. The specific objectives of this subprogramme are:

(a) To promote intergovernmental dialogue for consensus-building on the root causes of major environmental problems;

(b) To assist Governments in developing policy, legal, economic and other instruments for sound environmental management;

(c) To promote and encourage civil society and non-governmental organizations to participate in environmental management;

(d) To implement United Nations resolution 53/242 of 28 July 1999 on the Environmental Management Group;

(e) To implement a strategy for mobilizing extra-budgetary resources for the Environment Fund; and

(f) To develop a comprehensive programme on compliance and enforcement of legal instruments.

48. The expected accomplishments include:

(a) Global environmental agenda updated on the basis of a sound assessment of environmental trends and conditions at the national, regional and global levels;

(b) Comprehensive review and analysis of existing policies in key areas of increasing concern in the Global Environment Outlook, such as climate change, climate risk, environmental disasters, pressures on marine

and coastal areas, atmospheric pollution, impacts of rapid urbanization, water scarcity, land degradation, loss of biodiversity, unsustainable production and consumption patterns;

(c) Improved United Nations system-wide coordination on the global environmental agenda;

(d) New negotiations initiated and agreements concluded on certain emerging issues identified by sub-programme 1: Environmental assessment and early warning.

49. The specific accomplishments include:

(a) Enhanced policy review and analysis and articulated UNEP positions on a range of critical environmental and sustainable development issues;

(b) Innovative policies and instruments developed to enhance global environmental protection, especially in areas of water, land, climate, biodiversity;

(c) UNEP programme established and implemented in the field of compliance and enforcement of policy, legal, economic and other instruments;

(d) Stronger partnerships with Governments, civil society and non-governmental organizations in the work of UNEP;

3. Subprogramme 3: Policy implementation

50. This subprogramme, in concert with subprogramme 5: Regional cooperation and representation, will address policy implementation. It will provide a framework for technical cooperation involving Governments and agencies. Through this subprogramme, support to international coordination of environmental emergency response will be provided.

51. The overarching objectives of this subprogramme are:

(a) To test and demonstrate the relevance and effectiveness of selected policy, legal, economic and other initiatives;

(b) To develop environmental emergency response strategies and to stimulate cooperative action to respond to emerging environmental challenges and emergencies; and

(c) To raise public awareness and participation in UNEP programmes and the global environmental agenda through education and training, generation of relevant information and models through pilot projects, and extended networking.

52. The specific objectives of this subprogramme are:

(a) To compile information, for dissemination to Governments, on environmentally-sound and appropriate technologies;

(b) To act as a clearing house for the development of tools and guidelines for use in areas such as integrated water and coastal area management, river basin management, etc.;

(c) To provide specialized advisory services and technical assistance to complement the process carried out in this area within the framework of subprogramme 5: Regional cooperation and representation;

(d) To promote and facilitate the implementation of the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities, with a view to reducing and preventing the degradation of the marine environment from land-based activities; and

(e) To catalyse and mobilize, in concert with the United Nations family and, as appropriate, in consultation with the affected countries, international response to environmental emergencies, including the promotion of preventive measures, utilization of early warning information and sharing of expertise, information and experience.

53. The expected accomplishments include:

(a) Improved environmental management capabilities and enhanced Government capacity to implement environmental policy;

(b) New forms of technical cooperation developed in the transfer of environmentally-sound and appropriate technologies;

(c) Strengthened mechanisms and capacities for mobilizing, coordinating and implementing emergency responses; and

(d) Implementation of the binding and non-binding agreements expected to emanate from the global conference to be held by the year 2000 on sewage as a major land-based source of pollution affecting human and ecosystem health.

54. The specific accomplishments include:

(a) Greater self-reliance of countries with regard to the capacity to implement environmental policy;

(b) Increased capacity for implementing tools and guidelines; and

(c) Enhanced capacity for accessing and utilizing environmentally-sound and appropriate technologies.

4. Subprogramme 4: Technology, industry and economics

55. This subprogramme addresses the need to reorient production and consumption patterns towards cleaner and safer technologies, products and services that will use less water and energy, prevent all forms of pollution, and reduce risk to humans and the environment. The subprogramme covers such areas as environmentally sound technologies, production and consumption, including cleaner production, chemicals, energy, economics and trade. It will be closely linked to the other subprogrammes, especially subprogramme 1:

Environmental assessment and early warning; subprogramme 2: Policy development and law and subprogramme 5: Regional cooperation and representation. Special focus will be placed on the development of policies on issues which have a strong bearing on national and regional economies.

56. The overarching objectives of this subprogramme are:

(a) To encourage decision makers in Governments, local authorities as well as industry (including extractive and productive industries and service sectors) to develop and adopt policies, strategies and practices that are environmentally cleaner and safer;

(b) To make efficient use of natural resources;

(c) To ensure safe management of chemicals;

(d) To incorporate environmental costs;

(e) To reduce pollution and risks for humans and the environment; and

(f) To promote the development, use and transfer of policies, cleaner, safer and environmentally sound technologies, economic instruments, managerial practices and other tools that will assist in environmentally sound decision-making and in the building of corresponding capacities.

57. The specific objectives of this subprogramme are:

(a) To continue to develop global understanding and knowledge of trends in environmental issues related to industrial and urban development, trade, the use of natural resources (particularly energy and water), use of chemicals and consumption patterns, and to monitor the results achieved;

(b) To develop policies and tools to enable Governments and the private sector to respond to the problems identified, including voluntary initiatives and economic instruments;

(c) To continue to facilitate widespread technology transfer, and promote the adoption and use of environmentally sound technologies and practices by industry, Governments and local authorities through, in particular, innovative information clearing-house services;

(d) To provide state-of-the-art information for concerted global action for the environmentally sound management of chemicals and cleaner production;

(e) To contribute, within the areas of the subprogramme, to the development and implementation of relevant international environmental agreements developed under the auspices of UNEP; and

(f) To encourage dialogue on the means of implementing environmentally sound technology and practices.

58. The expected accomplishments include:

(a) Greater worldwide use of technologies, products and services which are cleaner and safer;

(b) More efficient use of energy and water;

(c) Reduced pollution and risks for humans and their environments.

59. The specific accomplishments include:

(a) Adoption of an international legally-binding instrument to reduce and eliminate releases of persistent organic pollutants (POPs) and improved Government capacities to take necessary actions to ensure chemical safety;

(b) Improved understanding and knowledge of environmental issues related to industrial and urban development, trade and the environment sustainable consumption patterns and environmentally-sound use of natural resources;

(c) Adherence to the goals of the International Declaration on Cleaner Production.

5. Subprogramme 5: Regional cooperation and representation

60. This subprogramme provides the basis for ensuring that the UNEP global policies and subprogrammes are inspired and influenced by information emanating from the assessment of regional environmental concerns and priorities. It will also provide a framework and medium for implementing, in the regions, subprogramme 1: Environmental assessment and early warning; subprogramme 2: Policy development and law; subprogramme 3: Policy Implementation; subprogramme 4: Technology, industry and economics; subprogramme 6: Environmental conventions; and subprogramme 7: Communication and public information.

61. The overall objectives of this subprogramme are:

(a) To provide a framework for enhancing and strengthening the presence of UNEP in the regions so as to ensure effective government participation in the work of UNEP;

(b) To ensure that regional concerns, priorities and perspectives are fully taken into account in the development of UNEP policies, as well as programme planning and implementation; and

(c) To provide an appropriate framework for the effective implementation of the decisions of the UNEP Governing Council in the regions.

62. The specific objectives of this subprogramme are:

(a) To review and analyse the status of environmental problems at the national and regional levels and to devise response strategies;

(b) To develop regional perspectives and positions on major environmental issues and trends requiring attention;

(c) To provide UNEP headquarters with assessments of:

(i) Environmental trends and conditions;

(ii) Nature and scope of government policy and programmatic responses at the national and regional levels;

(d) To provide advisory services and technical assistance, upon request, to Governments;

(e) To provide forums and mechanisms for intergovernmental dialogue on environmental issues;

(f) To promote and support subregional and regional cooperation programmes on the environment; and

(g) To represent UNEP in partnership arrangements in support of environmental management at the national and regional levels.

63. The expected accomplishments include greater visibility and enhanced profile of UNEP in the regions in tackling major environmental issues of crucial importance to the economic development of the countries;

64. The specific accomplishments include:

(a) More effective regional policy responses to global environmental issues;

(b) Increased capacities, in the legal, policy and institutional areas, to address emerging environmental concerns and issues at the national and regional levels.

6. Subprogramme 6: Environmental conventions

65. This subprogramme addresses the programmatic linkages between UNEP and the multilateral environmental conventions and provides services to them as appropriate. It will be closely linked to other subprogrammes, especially: subprogramme 1: Environmental assessment and early warning; subprogramme 2: Policy development and law; and subprogramme 5: Regional cooperation and representation.

66. The overarching objectives of this subprogramme are:

(a) To facilitate and support the enhancement of environmental and environment-related linkages and coordination of convention, in line with the provisions of paragraph 7 of General Assembly resolution 53/242;

(b) To keep under continuous review the status of implementation of the UNEP-administered conventions, especially those in the regional seas programme, and to provide programmatic support to the implementation of their work programmes.

67. The specific objectives of this subprogramme are:

(a) To reinforce the implementation of the work programmes of conventions, particularly in those areas and issues where strong interlinkages exist with the UNEP programme of work, such as, inter alia, trade and environment, tourism and assessment;

(b) To reinforce further the implementation of the work programmes of conventions and related international processes, by enhancing the participation of the United Nations and other international organizations, non-governmental organizations and civil society;

(c) To enhance the implementation of decisions of the conferences of the parties which UNEP is expected to follow up, particularly those funded by global financial mechanisms, facilities or special funds;

(d) To strengthen the scientific and technical bases for actions within the framework of the conventions;

(e) To support information dissemination on the status and implementation of global environmental conventions;

(f) To support the work of intergovernmental forums of relevance to the areas of work of the conventions;

(g) To render operational a common reporting system on the conventions;

(h) To develop a common data centre for the conventions and a harmonized arrangement for conference services;

(i) To contribute to the development and implementation of relevant international environmental agreements.

(j) To facilitate and support the enhancement of linkages between and among the conventions.

68. The expected accomplishments include:

(a) Vitalization of the regional seas conventions and bringing into operation the weak conventions;

(b) Expanded regional seas programme;

(c) More structured and coherent collaborative arrangements between the conventions (regional and global).

69. The specific accomplishments include:

(a) Improved scientific knowledge for responding to emerging policy issues of concern to countries;

(b) Enhanced capabilities of Governments to meet their obligations under the conventions.

7. Subprogramme 7: Communication and public information

70. This subprogramme addresses communication and public information as a means of promoting greater awareness and action among policy makers and the public on the environmental dimension of sustainable development. The subprogramme will have a cross-cutting relationship with the other subprogrammes.

71. The overarching objectives of this subprogramme are:

(a) To promote greater awareness and facilitate effective cooperation among all sectors of society and actors involved in the formulation and the implementation of the international environmental agenda; and

(b) To forge a stronger partnership, with Governments, the media and other concerned parties, to enhance access to environmental information for strengthening awareness and action by policy makers, civil society and non-governmental organizations.

72. The specific objectives of this subprogramme are:

(a) To mobilize public participation in environmental management and conservation as a result of increased public access and awareness arising from better targeting of information outputs and communication processes, partnerships with key stakeholders and use of appropriate media;

(b) To refine regional delivery of UNEP substantive information products and use appropriate means and media to bridge the gap between developed and developing countries' access to environmental information;

(c) To strengthen the use of non-traditional approaches to raise public awareness and participation (through special events and emerging media, including electronic publishing, particularly for involving dynamic populations like youth and children and new professions;

(d) To increase the coordination of messages and visual presentation (electronic and print media) as a means of attaining a corporate image and consistent presentation of this in the context of system-wide efforts, utilizing new technologies;

(e) To improve the acquisition of and access to environmental publications and information materials.

73. The expected accomplishments include heightened environmental awareness among the public, leading to new actions and initiatives at all levels of society.

74. The specific accomplishments include:

(a) Innovative local solutions, including public participation, to environmental problems;

(b) Wider use of the new information technology, including the worldwide web, in disseminating environmental information.

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Bonn, 1 November 1999
Item 7 of the provisional agenda*

RESPONSE OF THE ENVIRONMENT TO THE PHENOMENON OF GLOBALIZATION

Globalization, agriculture and the environment

Report of the Executive Director

Summary

1. The present report summarizes the interlinkages between globalization, agriculture and the environment and addresses the environmental impacts of globalized agriculture, the social impacts of globalized agriculture, the impact of current policies on the agricultural sector and the environment. In addition, it poses questions on future action to stimulate the discussion under this item, on the response of the environment to the phenomenon of globalization.

2. The outcome of the discussion in the High-level Committee of Minister and Officials on this item will set the stage for the contribution of the United Nations Environment Programme (UNEP) to the eighth session of the Commission on Sustainable Development.

* UNEP/HLC/4/1.

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INTRODUCTION

3. Globalization is usually defined as the process of integration of the world's economies in a single market, both for goods and services and also for capital and investment flows. By and large, globalization has emerged as economic liberalization has become prominent in national economies throughout the world. Through a greater reliance on outward-oriented development strategies, trade and investment liberalization policies over recent years have substantially removed national market boundaries and have increasingly linked countries into a single world economy.

4. Within today's global economy, countries now trade more intensively and frequently than in the past. Governed by rules established under the World Trade Organization (WTO) agreements, trade has become an increasingly important global economic activity, with annual trade volumes increasing sixteen-fold over the last fifty years and the ratio of world trade volume to gross domestic product (GDP) now approaching 50 per cent. Trade in goods and services has grown twice as fast as global GDP in the 1990s, and the share attributable to developing countries has climbed from 23 to 29 per cent, now accounting for almost 50 per cent of aggregate GDP in developing countries.

5. Recognizing that the benefits of trade can strongly contribute to the improvement of basic living standards, many of the world's developing countries have sought active participation in the global trading regime. Over the past two decades, many developing countries have been implementing structural adjustment programmes to open their economies and take full advantage of trade prospects offered by the WTO agreements. Growing membership in WTO (110 of the 152 developing countries were members in 1999) and in a burgeoning array of regional trade agreements has opened developing economies to both the opportunities and the challenges of multilateral trading regimes.

6. Agriculture is a critical sector for world trade. In 1997, agricultural products represented 11 per cent of the global trade in goods. The sector grew at an annual average rate of 5.0 per cent between 1990 and 1997.

7. With the growing integration of the world's economies, trade in agricultural commodities between countries has increased. With greater access to world markets, and heightened exposure to market distortions, farm production levels have grown and management practices have shifted worldwide. At the same time, the increasing use of new biotechnologies, growing populations and shifting consumer preferences to organic and processed foods are other factors shaping choices in agricultural production and distribution.

8. Market distortions strongly influence trade patterns. The continued presence of trade barriers in world markets limits market access, affecting farm incomes and resource management decisions. Additional market distortions arise since agriculture is an economic activity that makes significant use of supposedly "free" environmental resources. Taken

together, these distortions can lead to unsustainable agricultural practices that, over time, threaten to degrade and deplete natural and environmental resources both in developed and developing countries. That said, restrictive trade measures may sometimes be necessary to avoid the over-exploitation of natural resources.

9. There are many opportunities for policy intervention to promote sustainable agriculture, so that environmental and associated economic and social problems can be avoided. The present background paper focuses on examining how agriculture has been affected by globalization of the world economy.

I. ENVIRONMENTAL IMPACTS OF GLOBALIZED AGRICULTURE

10. Agriculture is a critical sector for the global environment. By virtue of its large land and water requirements, agriculture uses and affects a greater share of most nations' natural resources than any other industry. Agricultural activities have a direct impact on the full range of environmental media, including water, land, biodiversity, and air. These impacts are affected by access to inputs, infrastructure, technology and production techniques. In addition, through environmental media, as well as through food quality and safety, agriculture can have important impacts on human health.

11. Agriculture has significant impacts on water quantity and quality. Irrigation practices in the agricultural sector, in particular, have an impact on water quantity, as a number of countries rely heavily on irrigated crops for domestic consumption and export.

12. Water quality can also be affected by agricultural practices. Runoff and seepage of fertilizers and pesticides are major sources of groundwater pollution in many countries. Groundwater is especially susceptible to nitrate contamination originating in inorganic fertilizer and manure. The risk of nitrate groundwater rises in direct proportion to agricultural activity.

13. Agricultural production also affects land. Tillage and other cultivation practices, farming on marginal lands and the increased use of row crops all lead to the increasing erosion of soil and loss of topsoil. In addition, soil quality is affected by the use of chemical fertilizers and pesticides. The results of these processes include salinization, acidification and low soil fertility. Technology and infrastructure can mitigate these impacts, but high cost hampers the development and use of appropriate technologies, particularly in developing countries.

14. Land use is closely associated with biodiversity. The need for increased feed grains leads to the conversion of grasslands and wetlands to farmland; field sizes tend to increase, crop diversity tends to diminish, crop rotations decline and fertilizers and pesticides are used at an increased pace.

15. The conversion of land to farmland and pasture can lead to deforestation, which also adversely affects biodiversity and habitats for a range of biota. Tropical rainforests, which contain approximately 50 per cent of the world's biodiversity, have, since 1950, declined by more that 200 million hectares as a result of contributing factors such as ranching and crop cultivation. Agriculture (including crop and livestock production) has contributed to deforestation more than any other economic activity.

16. Plant diversity can be affected by agricultural practices resulting from selective cultivation and plant breeding, which narrow the genetic base of agricultural production. In developing countries and in economies where subsistence farming is important, the selection of seeds is often an essential part of producers' strategies to cope with difficult environmental and climactic conditions, such as drought or irregular rainfall, frost, winds, pests and poor soil. Traditional producers operating under these conditions will often rely on various combinations of seed varieties and dates of sowing to ensure a viable crop. Indeed, this use of genetic diversity in production is one of the most powerful technological resources available to traditional producers.

17. Globalization pressures to augment production increasingly lead to the use of new high-yield technologies. These include high-yield genetically modified organisms (GMOs) and more effective, less polluting fertilizers and pesticides. Protected by intellectual property rights, these technologies are costly and largely unavailable to farmers in developing countries. In addition, as new technologies, their environmental and health impacts are not well understood. There are indications, however, that undesirable genetic erosion progresses with the introduction and increased use of improved high-yield seed varieties and hybrids.

18. The use of chemical inputs such as fertilizers and pesticides has a direct impact on the environment. Residues from pesticides and fertilizers can lead to high nitrate levels in drinking water as well as soil contamination. This can affect human health and both animal and plant habitat. Furthermore, the impacts of pesticides may not be confined to their area of application, as their residues can be transmitted in the atmosphere and in waterways.

19. In many countries no account is taken of the external costs of farming. In some developing countries, farmland remains governed by common access property regimes, and farmers have little incentive to internalize land degradation costs by investing in sustainable agriculture techniques. Furthermore, when property rights are not uniquely defined, farmers are only loosely accountable for environmental damage that excessive use of fertilizers and pesticides have on the nearby vicinity or the farmland itself. In developed countries, fertilizer and pesticide-laden water runoff from farms is a form of non-point source pollution that is neither monitored nor taxed. Resulting ground water pollution is a growing problem.

II. SOCIAL IMPACTS OF GLOBALIZED AGRICULTURE

20. Urban migration and rural disintegration are problems for all countries. If their livelihoods become unprofitable because of globalization, many rural farmers will migrate to large and overcrowded urban areas, where, untrained to enter the skilled work-force, they aggravate problems of urban poverty, unemployment and social strife. Rural disintegration is also a matter of serious concern since agriculture provides countries with a wide range of non-economic benefits, including social community life and cultural heritage.

21. Government subsidies for agriculture in developed countries results in substantial social welfare loss. Developed country consumers continue to pay for agricultural commodities at prices substantially above world prices. These price distortions represent a considerable welfare loss to society, when stock is taken of the tens of billions of dollars that Governments spend annually to support agriculture in developed countries. In fact, the over $160 billion spent each year on agricultural support is about four times that spent on official development assistance (ODA) worldwide.

III. IMPACT OF CURRENT POLICIES ON THE AGRICULTURE SECTOR AND THE ENVIRONMENT

22. The impacts of agriculture on the environment are closely related to trade policy. The agriculture sector is the target of government policies that translate, inter alia, into various forms of subsidies, supply management and taxation schemes. Since the 1950s, industrialized countries have tended to develop increasingly protectionist policies. These policies have environmental implications and distort trade.

23. As in other sectors, in the agricultural sector the prices of inputs and outputs do not fully reflect the social costs of soil and water depletion, non-point source pollution, deforestation and other adverse impacts of agricultural production. Because the agricultural sector relies directly on environmental resources, its externalities tend to have a relatively greater impact on ecosystems than other economic activities.

24. Government policies which distort the prices of agricultural production and inputs (water, fertilizers, and pesticides) can result in increased externalities. High output prices and low input prices tend to exacerbate environmental impacts, such as excessive soil and water degradation, excessive fertilizer and pesticide use and increased production on marginal lands.

A. Tariffs and import barriers

25. With the Agreement on Agriculture, the WTO Uruguay Round marked a significant turning point in world agriculture trade. The Agreement calls on developed and developing countries to reduce barriers to trade in agricultural products. The commitments under the Agreement comprise three elements: increasing market access; reducing tariffs and subsidies; and

eliminating non-tariff barriers. Implementation of the Agreement began in 1995, with the reduction commitments of developed countries to be completed by 2000, and those of developing countries by 2004.

26. The WTO Agreement on Agriculture represents only a partial liberalization agreement: quantitative reductions in support to agriculture are relatively small and spread over several years. For that reason, a large degree of distortion in the world agricultural commodities market will remain, even after the complete implementation of reduction commitments. Through the built-in agenda of the Agreement on Agriculture, however, future discussions are poised to reduce the remaining barriers still further.

B. Domestic support

27. Growing agricultural trade in the post-war era has in part resulted from agricultural and related trade policies which have artificially supported the prices of some crops relative to others and subsidized the prices of many inputs such as water, fertilizers and pesticides.

28. In many industrialized countries and emerging economies, production subsidies have encouraged environmentally destructive farming, including the excessive use of chemical fertilizers and pesticides and the abandonment of traditional practices such as rotating crops and fallowing fields. These shifts can accelerate soil erosion and the accumulation of chemicals in lands, water, threatening the long-term stability of global agriculture.

29. Input subsidies are a second form of domestic support. These can include providing the use of natural resources at costs substantially lower than market values. Such is the case in a number of countries where irrigation projects are managed by national Governments. In developing countries, one estimate suggests that $13 billion is lost per year on public irrigation projects. Agricultural subsidies have been found to correlate with higher rates of pesticide and fertilizer use, thus increasing water pollution and soil degradation.

30. Export subsidies have traditionally been used to remove surpluses and their price-depressing effect from domestic markets. The subsidized exports of surpluses from developed countries depress international market prices, thereby affecting farmers in developing countries. The Agreement on Agriculture aims to stop the escalation of farm export subsidies and to reduce domestic farm programmes by 20 per cent in developed countries over six years and 13 per cent in developing countries over ten years.

31. In developing countries, farmers are typically taxed rather than subsidized. While these policies can depress production, they do not necessarily conserve natural resources and do not necessarily result in reduced output. In order to maintain household incomes, these farmers are often forced to use their resources at levels that are ultimately unsustainable. Poor farmers are often compelled to farm marginal lands subject to erosion and runoff, or to clear forests, in order to earn a subsistence level of income. In some cases subsidies are paid to reduce the costs of inputs and increase yields, leading to their over-application and consequent rises in soil and water contamination.

32. The greatest difference in positions of developing countries on agricultural trade reform is to be found between those which are net food importers and those which are net food exporters. Net food importing countries have an interest in maintaining export subsidies. Likewise, there is a strong interest on the part of net food exporting countries to devise rules prohibiting export taxes and quotas. Import access rights are also important for developing countries.

33. At present, the Uruguay Round reform offers only modest benefits to developing countries although it is useful to bring agriculture into the mainstream of multilateral trade policy.

IV. QUESTIONS FOR DISCUSSION

A. Environment and sustainable development

34. Globalized agriculture has positive and negative effects on the environment:

(a) Are the environmental impacts of globalized agriculture well understood?

(b) Are the interlinkages between globalized agriculture, biodiversity, desertification, deforestation, freshwater resource management and climate change well understood?

(c) Has globalized agriculture resulted in sustainable development?

(d) Are the impacts of trade liberalization on biodiversity well understood?

(e) Is there a need for an assessment of the impacts of globalized agriculture on the environment (land, soil, water, forests, biodiversity)?

(f) Do sufficient programmes for sustainable agriculture currently exist?

35. In view of advancements that have been made in biotechnology in recent years:

(a) Should research programmes be launched to assess the environmental impacts of GMOs?

(b) Should greater efforts be made to raise awareness of the environmental impacts of GMOs?

(c) Should farmers and consumers be informed of products which have been genetically modified?

(d) Should access to environmentally sound technology be improved?

(e) Should the economic consequences of increased farmer dependence on GMO crops be assessed?

(f) Should special arrangements be made to subsidize the purchase of GMO seeds by low-income farmers?

36. Environmentally sound technology is essential for sustainable agriculture:

(a) Are existing technologies promoting sustainable agriculture practices?

(b) Are existing technology transfer mechanisms sufficient?

(c) Are indigenous technologies being adequately utilized and are capabilities being enhanced to develop these technologies and to absorb advanced ones?

B. Social issues

37. Globalized agriculture has social impacts:

(a) Do Governments need to undertake an assessment of the social implications of globalized agriculture?

(b) Has globalized agriculture resulted in poverty alleviation and food security in developing countries?

(c) Has globalized agriculture resulted in increased employment, income and rural community development and social cohesion and welfare?

(d) Are social and community development programmes needed to support the social fabric of rural areas?

(e) Are the ethical, social and economic implications of biotechnology and intellectual property rights well understood?

C. Economic and trade issues

38. Globalization has resulted in an increase in the volume of trade during the last two decades worldwide:

(a) Have the full economic impacts of trade liberalization been assessed?

(b) Has globalized agriculture resulted in increased market access and exports, and high GDP rate of growth, particularly for developing countries?

(c) Should countries ensure that an environmental assessment of trade liberalization on the agriculture sector be undertaken?

(d) What policies are needed to ensure that environmental considerations are integrated into agriculture policies?

(e) Should emphasis be placed on the WTO Agreement on Agriculture to address subsidies, tariffs, non-tariff import barriers, commodity prices, market access, technology transfer and capacity-building?

(f) Do the current provisions in the WTO agreements with respect to trade-related aspects of intellectual property rights (TRIPs), sanitary and phytosanitary measures and technical barriers to trade permit an enabling environment for sustainable agriculture?

39. Subsidies and tariffs distort the market mechanism:

(a) How can Governments be induced to reduce tariffs more substantially?

(b) Will the removal of agricultural subsidies lead to greater sustainability?

(c) What are the barriers to the removal of perverse subsidies in both developed and developing countries?

(d) Which stakeholders are most opposed to subsidy removal and why?

(e) To what extent can these barriers be removed by appropriate awareness-raising, capacity-building, and the provision of alternative employment opportunities for affected farmers?

(f) How can funds generated from subsidy removals, particularly in developed countries, be channelled to finance environmentally sustainable programmes in developing countries?

D. Capacity-building and institutional development

40. Capacity-building for developing countries is essential to promote sustainable development:

(a) How can the effective participation of developing countries be effectively enhanced in the negotiations of the Agreement on Agriculture?

(b) Is there a need to undertake a needs assessment for capacity-building in developing countries?

(c) How can existing programmes for capacity-building be enhanced?

(d) Is there a need to strengthen governance systems that enable developing countries to benefit from financial flows associated with globalization?

(e) Should the capacity of Governments to supervise and monitor the influx of capital, particularly by transnational corporations, be enhanced to ensure sustainability?

(f) What role should international organizations play in responding to capacity-building needs?

E. National policy

41. Efforts have been undertaken in a number of countries to integrate environmental considerations into sectoral policies:

(a) What government policies need to be developed and adopted to integrate social, environmental, economic and trade polices?

(b) What policies are required to ensure food security and the sustainable use of environmental and natural resource bases and designed to meet social, cultural, and economic circumstances and national development priorities?

(c) Should the system of national accounting be revised by Governments in order to reflect the depletion and degradation of environmental and natural resources, resulting from development activities?

(d) Is there a need for Governments to strengthen the monitoring and enforcement of environmental policies relating to agriculture?

(e) How can national Governments adopt a multi-stakeholder approach to policy-making, including the involvement of grassroots organizations, non-governmental organizations, the private sector, the industry sector and the academic community?

(f) What policies are required by Governments to eliminate perverse subsidies and policies that tax agricultural production?

(g) Are private property rights needed where farmland under common access regimes is deteriorating?

(h) How can bilateral development assistance be redesigned to ensure that supported programmes do not result in undue pressures on the environment?

(i) What kind of technological innovation programmes are required to enhance the development of indigenous technologies and absorb and adapt exogenous technologies to country requirements and needs?

(j) How can private and public sector partnership be promoted so that it effectively contributes to and encourages financial capital investment in sustainable agriculture?

(k) How can Governments enhance coordination at the national level between relevant government departments dealing with agriculture, trade and the environment?

(l) How can Governments improve social services and enhance the community development of rural areas, in order to ensure the provision of adequate educational and health services and basic amenities, as well as physical infrastructure, as a necessary requirement and incentive to promote rural development?

(m) How can Governments, together with nongovernmental organizations, undertake effective public-awareness campaigns to promote sustainable agriculture policies?

F. International cooperation

42. Several organizations, such as the Food and Agriculture Organization of the United Nations (FAO), WTO, the United Nations Conference on Trade and Development (UNCTAD), UNEP, the World Bank, the International Monetary Fund (IMF), the United Nations Development Programme (UNDP) and non-United Nations organizations such as the Organisation for Economic Cooperation and Development (OECD) and the Consultative Group on International Agricultural Research (CGIAR) have activities directly or indirectly related to environment, agriculture and trade. Are current programmes provided by these organizations:

(a) Sufficiently and adequately coordinated?

(b) Promoting the development and implementation of sustainable agricultural programmes that encourage the internalization of environmental and social costs?

(c) Taking account of provisions in the Agreement on Agriculture, including economic, social and environmental implications at the international and national levels?

(e) Facilitating the development and use of economic instruments which can realize the integration of environmental considerations into agricultural practices?

(f) Effectively enhancing the capacities of countries in implementing integrated crop and pest management programmes?

(g) Assisting countries to develop approaches and criteria for the integration of social and economic considerations into agricultural policies?

(h) Providing technical assistance to developing countries on the impacts of the Agreement on Agriculture?

(i) Developing tools to evaluate the economic and social trade-offs of agricultural policies?

(j) Effectively coordinated, so as to enhance synergies and complementarities between their programmes, including by coordinating the timing and venue of events to facilitate maximum participation and reduce costs?

G. Financial mechanisms

43. Financial resources are essential to promote sustainable agriculture:

(a) Are current financial resources and mechanisms sufficient?

(b) Is there a need for additional financial mechanisms (ODA, debt conversions, GEF, clean development mechanism, sustainable development funds and other new schemes) to support developing countries' efforts in implementing national, regional and global sustainable development?

(c) Could the use of market-based incentives assist in generating additional funding to support sustainable agriculture?

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Fourth meeting
Bonn, 1 November 1999

REPORT OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS ON THE WORK OF ITS FOURTH MEETING

Introduction

1. The fourth meeting of the High-level Committee of Ministers and Officials, established by the Governing Council of the United Nations Environment Programme (UNEP) in its decision 19/32 of 4 April 1997, was held at the Hotel Maritim, in Bonn, Germany, on 1 November 1999.

I. OPENING OF THE MEETING

2. The meeting was opened at 10.30 a.m. on Monday, 1 November 1999, by Mr. Simon K. Moyo, Minister of Mines, Environment and Tourism of Zimbabwe, Chair of the High-level Committee of Ministers and Officials. In his opening statement, Mr. Moyo noted the very full agenda facing the High-level Committee of Ministers and Officials at its current meeting and recalled that the work of the Committee at pervious sessions had provided the firm basis on which the Governing Council had been able to prepare the important input of UNEP to the seventh session of the Commission on Sustainable Development.

3. Following those opening remarks, the Committee was addressed by Mr. Tahar Hadj-Sadok, Deputy Executive Secretary of the United Nations Framework on Climate Change, speaking on behalf of Mr. Zammit Cutajar, the Executive Secretary. In his statement, Mr. Hadj-Sadok commended the idea of organizing the meeting of the Committee on the margins of the meeting of the Conference of the Parties to the Framework Convention, as it provided for valuable synergies between the two bodies. The secretariat of the Framework

Convention welcomed strengthened cooperation with UNEP and with other environmental conventions.

4. On the issue of globalization and climate change, he pointed out that, while global solutions must be sought to the problem of climate change, there must also be differentiated approaches for the different countries and regions. He also noted the importance of interlinkages of trade and the environment, an issue that was addressed under the Kyoto Protocol, including through the development of its emissions-trading initiative, and through efforts to motivate transnational corporations to take into consideration climate-change effects.

5. The Committee was then addressed by Mr. Klaus Töpfer, Executive Director of UNEP, who welcomed participants to the fourth meeting of the High-level Committee of Ministers and Officials, its last meeting in the twentieth century. Noting the profound threat posed to the environment by global poverty, he stressed the need for an integrated approach to addressing the problem of poverty and therefore welcomed the decision to convene the current meeting on the margins of the meeting of the Conference of the Parties to the Framework Convention on Climate Change. Recalling discussion at the Committee's second and third meetings on the need to streamline the structure of UNEP, he informed members that that process had now been implemented and he hoped to be able to demonstrate the effectiveness of the new integrated structure during the course of the current meeting and expressed gratitude to the Government which had contributed to the process.

II. ADOPTION OF THE AGENDA AND ORGANIZATION OF THE WORK OF THE MEETING

A. Attendance

6. The meeting was attended by the following 24 members of the Committee, who had been elected by the Governing Council at its twentieth session, on 5 February 1999, on the basis of nominations by their respective regional groups, to serve as members of the High-level Committee of Ministers and Officials, in accordance with paragraph (b) of Governing Council decision 19/32 of 4 April 1997: Argentina, Burundi, Canada, China, Congo, Cuba, Finland, Indonesia, Iran (Islamic Republic of), Iraq, Jamaica, Japan, Kenya, Mexico, Nigeria, Poland, Romania, Russian Federation, Senegal, Slovakia, Switzerland, Thailand, Uganda, Zimbabwe.

7. The following States Members of the United Nations were represented by observers: Australia, Azerbaijan, Cameroon, Central African Republic, Chad, Colombia, Croatia, Denmark, Haiti, Holy See, Iceland, Italy, Jordan, Netherlands, Norway, Oman, Philippines, Republic of Korea, Republic of Moldova, Sudan, Sweden, the former Yugoslav Republic of Macedonia.

8. The European Community was also represented.

9. The following United Nations bodies and specialized agencies were also represented: Food and Agriculture Organization of the United Nations (FAO), Global Environment Facility (GEF), United Nations Framework Convention on Climate Change, United Nations Educational, Scientific and Cultural Organization (UNESCO).

10. A representative of the following intergovernmental organization attended the meeting: Organization of the Islamic Conference (OIC).

11. Representatives of the following non-governmental organizations were also present at the meeting: Global Crop Protection Federation (GCPF), World Association of Girl Guides and Girl Scouts (WAGGGS), World Conservation Union (IUCN), World Wide Fund for Nature International (WWF).

12. In accordance with paragraph 2 of Governing Council decision 19/32, the meeting was also attended by the following: Mr. László Miklós (Slovakia), President of the Governing Council of UNEP; Mr. Leandro Arellano (Mexico), Chair of the Committee of Permanent Representatives to UNEP; Mr. German Garcia-Duran (Colombia), Chair of the Nairobi Chapter of the Group of 77; Mr. Isslamet Poernomo (Indonesia), Chair of Subcommittee I of the Committee of Permanent Representatives to UNEP; Mr. Bagher Asadi (Islamic Republic of Iran), coordinator of the open-ended informal consultations of the General Assembly on the report of the Secretary-General on Environment and Human Settlements and Co-Chair of the Intergovernmental Forum on Forests (IFF); Mr. Zammit Cutajar, Executive Secretary of the Framework Convention on Climate Change and Mr. Tahar Hadj-Sadok, Deputy Executive Secretary of the Framework Convention on Climate Change.

13. The full list of participants is contained in document UNEP/HLC/4/INF/5.

B. Officers

14. In accordance with the decision taken by the Committee under item 7, on the election of the Bureau of the High-level Committee of Ministers and Officials for the period 1999-2001 (see chapter VII below), the regional allocation of positions on the Bureau remained in force for the current meeting and the incumbents of those positions remained in office, except for the post of Vice-Chair held by the group of Latin American and Caribbean countries, which passed to the representative of Peru. The Bureau was therefore constituted as follows:

Chair:	Mr. Simon Khaya Moyo (Zimbabwe)
Vice-Chair:	Mr. Wang Zhijia (China) Mr. Gonzalo Galdos (Peru) Mr. Jan Szyszko (Poland)
Rapporteur:	Mr. Philippe Roch (Switzerland)

C. Adoption of the agenda

15. The Committee adopted the following agenda, on the basis of the provisional agenda circulated in document UNEP/HLC/4/1:

1. Opening of the meeting.

2. Adoption of the agenda and organization of work of the meeting.

3. Report of the Executive Director on recent activities of the United Nations Environment Programme.

4. Contribution of the United Nations Environment Programme to the United Nations medium-term plan for the period 2002-2005.

5. Implementation of General Assembly resolution 53/242 of 28 July 1999: Report of the Secretary-General on environment and human settlements.

6. Response of the environment to the phenomenon of globalization.

7. Election of the Bureau of the High-level Committee of Ministers and Officials for the period 1999-2001.

8. Other matters

9. Adoption of the report of the meeting.

10. Closure of the meeting

D. Organization of work

16. At the first session of the meeting, the Committee decided that the agenda would be addressed primarily in two plenary sessions. The Committee also agreed to take up item 6, on the response of the environment to the phenomenon of globalization, in a panel discussion on the theme of globalization, agriculture and the environment.

E. Documentation

17. The documentation before the High-level Committee of Ministers and Officials at its fourth meeting is listed in annex II below.

III. REPORT OF THE EXECUTIVE DIRECTOR ON RECENT ACTIVITIES OF THE UNITED NATIONS ENVIRONMENT PROGRAMME

18. Under the item, the Executive Director introduced his report on recent activities of UNEP (UNEP/HLC/4/INF/1), highlighting work by the organization in the five areas of concentration identified by the Governing Council and in fulfilment of the goals of the Nairobi Declaration. He also drew attention to the recently launched second report in the Global Environment Outlook (GEO) series, GEO-2000, which, he said, was not merely a comprehensive policy-relevant report on the state of the global environment, but also an authoritative assessment of the environmental crisis facing humanity in the coming millennium.

19. The GEO-2000 report had been prepared in a collaborative process involving more than 30 centres and 850 individuals, representing an important model of participatory action. He pointed out that the report was only a summary, building on a number of far more detailed regional reports. In addition, a youth version, called Pachamama, meaning "mother Earth" in the

Quechua language, had also been launched and work was already under way on preparations for GEO-3.

20. He stressed that GEO-2000, while it identified many critical problems for the environment, was not a doomsday report but also contained many success stories and reported on encouraging trends.

21. He also informed members of the work of the joint UNEP/United Nations Centre for Human Settlements (UNCHS) (Habitat) Task Force on Environment and Settlements in the Balkans, which had submitted its findings to the Secretary-General. The Task Force had concluded that the environmental problems which it addressed had regional implications, affecting, in particular, countries downstream on the river Danube, and were connected also with a legacy of past environmental mismanagement. He noted that requests had been submitted to UNEP for the establishment of similar teams for other regions, but that there was no provision in its budget for such measures.

22. Ms. Verle Vandeweerd, Coordinator of the Global Plan of Action for the Protection of the Marine Environment from Land-based Activities, introduced the UNEP water policy and strategy, currently being finalized, the policy objectives of which derived from Agenda 21 and the resolutions and decisions, respectively, of the General Assembly and the Governing Council. Describing the framework of the water policy and strategy, she noted that its main focuses were on assessment, management and coordination and that the major water programmes for UNEP for the period 2000-2001 were the Global International Waters Assessment (GIWA); the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities; the regional seas programme; freshwater; and activities under the Global Environment Facility (GEF). Outlining the organizational structure for the implementation of the UNEP water programmes and their major area of concentration and objectives, she said that action would be conducted at national, regional and global levels, involving, inter alia, the development of policy and legislation, capacity-building and the development of a clearing-house mechanism. She informed the meeting that the clearing-house of the Global Programme of Action had now been launched and was accessible on the internet.

23. She listed the main policy objectives and strategic directions of the regional seas programme and of UNEP freshwater activities and indicated the main strategic thrusts of GEF-supported activities in the areas of international waters. In conclusion, she reaffirmed the targets of the UNEP water policy and its commitment to sustainable development in the management of that precious resource.

24. Following those presentations, a number of representatives, some also speaking on behalf of groups of countries, commended UNEP on its more dynamic performance and more transparent approach and welcomed the new integrated structure. The GEO-2000 report was applauded, in particular, as a flagship product, and one representative announced his country's plans to translate the report into Portuguese.

25. In the ensuing discussion, representatives drew attention, inter alia, to the "blue flag" initiative, which UNEP was urged to support; to the ongoing negotiations on persistent organic pollutants (POPs); and to the need

for increased capacity-building efforts. Several speakers raised the issue of transboundary watercourses and the need for regional approaches, although one representative pointed out the need to respect existing international agreements relating to those watercourses and another noted that the UNEP freshwater policy should not run counter to the provisions of international conventions. One representative, while recognizing the benefit of a comprehensive approach to water issues, stressed the need - within that integrated approach - for separate and differentiated approaches to marine, coastal and freshwater issues and, accordingly, urged UNEP to give more support to the Global Environment Monitoring System (GEMS) water programme. UNEP was urged, in particular, to give closer attention to freshwater issues and to integrate the GEMS/Water programme fully with its other programmes. Another suggested that the success of UNEP in addressing ozone layer issues should be replicated in its carbon-dioxide emissions-related work, in particular, through efforts to promote the widest possible involvement of countries in that work.

26. Several representatives drew attention to the importance of freshwater issues in their countries, which were subject to drought and desertification, and to the problem of desertification, particularly in the South. In that context, they stressed the need for the promotion of renewable energy sources to meet the growing energy needs of the growing populations in the South. Attention was also drawn to the interrelationship between freshwater, waste and agricultural inputs and UNEP was encouraged to continue and to strengthen its role in addressing problems in that area, including through the promotion of best practices, with a view to avoiding past mistakes in freshwater management, and through the incorporation of capacity-building in both the GEO process and in its water strategy.

27. Other needs identified by speakers included the promotion of integrated coastal area management in Africa; increased efforts in coral reef and mangrove conservation; greater attention to the issue of desalination; enhanced collaboration and coordination among environment-related conventions; and a strengthened role for UNEP in the area of trade and environment interlinkages, in particular, through the World Trade Organization (WTO). One representative stressed the need for UNEP to revitalize its environmental monitoring and assessment activities, which, he said, should be on the agenda of the sixth special session of the Governing Council.

28. Recalling Governing Council decision 20/26 of 4 February 1999, requesting the Executive Director to promote the transfer of environmentally sound technologies for freshwater management through the International Environmental Technology Centre (IETC), the representative of Japan noted the good work being done by IETC and pledged his country's continued support for the Centre. He encouraged the widest possible use of the Centre by other countries as well. In addition, he stressed the need to implement all the mandated activities of the four regional activity centres of the Action Plan for the Protection, Management and Development of the Marine and Coastal Environment of the Northwest Pacific Region (NOWPAP) and to establish the regional coordinating centre for NOWPAP. In that context, he conveyed Japan's interest in hosting the unit, on condition that an invited country would bear due expenses and that Japan would take the initiative for establishing the framework for the efficient operation of NOWPAP.

29. The representative of a Balkan State expressed the wish - which, he said, was shared by some other countries in the region - that the terms of reference of the Balkan Task Force could be extended to cover those countries, which had also been affected by the armed conflict in Yugoslavia. In that context, the representative of Switzerland praised the work of the Task Force, which, he said, had demonstrated the ability of UNEP to respond rapidly to environmental emergencies. Switzerland was willing to support future such responses by UNEP.

30. Attention was drawn to freshwater initiatives at the regional level initiatives, including in the Amazon, the Association of South-East Asian Nations (ASEAN) and the Caribbean regions, In that context, and recalling the proposal by the Caribbean Community (CARICOM) and the Alliance of Small Island States (AOSIS) for the Caribbean to be declared a special area for the purposes of the Commission on Sustainable Development, the representative of a Caribbean country welcomed the importance attached by UNEP to that region.

31. The representative of Thailand drew attention to his country's experience in marine and coastal environmental management and offered the Thai code of conduct for marine and coastal activities as a model for emulation by other countries in the ASEAN region.

32. Attention was drawn to a number of forthcoming international meetings, including on water, cleaner production and desertification, which participants at the current meeting were encouraged to attend.

33. In response to concerns expressed during the debate, the Executive Director reaffirmed, inter alia, the need to consider interlinkages with desertification and climate change and to explore alternative and renewable energy sources. Conceding that there might some overlaps between GIWA and GEMS, he reaffirmed the need for increased capacity-building in freshwater management and, in that connection, stressed the synergetic benefits to be derived from convention-twinning arrangements and the need to revitalize the Abidjan Convention for Cooperation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region. Noting the close interrelationship between tourism and the issues under consideration, he welcomed the decision in the United Nations system for UNEP to serve as task manager for tourism and, in that context, commended the UNEP Division of Technology, Industry and Economics for its proactive work in that area. He also paid tribute to IETC for its achievements, in particular, in the area of technology transfer, and recognized the need for its capacity to be strengthened.

IV. CONTRIBUTION OF THE UNITED NATIONS ENVIRONMENT PROGRAMME TO THE UNITED NATIONS MEDIUM-TERM PLAN FOR THE PERIOD 2002-2005

34. Introducing the item, the Executive Director drew attention to his report on the contribution of UNEP to the United Nations medium-term plan for the period 2002-2005, which had been circulated to members of the Committee in document UNEP/HLC/4/2. He stressed the need for UNEP to be properly integrated in the United Nations medium-term plan and noted that the UNEP contribution to that plan was open for further consolidation and consideration. The draft contribution had been prepared in a consultative

process with the Committee of Permanent Representatives to UNEP in Nairobi and with national Governments, and in collaboration with the representative of the Nairobi Chapter of the Group of 77.

35. The draft contribution was a forward-looking document, which endeavoured to draw interlinkages and dependencies between the various subprogrammes of UNEP. He drew attention to the functional integration of those subprogrammes: the aim had been to identify policy goals that cut across administrative boundaries, and not to remain within the confines of sectoral topics, following, instead, an integrated approach.

36. Mr. Leandro Arellano (Mexico), Chair of the Committee of Permanent Representatives to UNEP, commended the draft contribution to the High-level Committee, encouraging ministers and officials to enrich it with their own views.

37. Mr. German Garcia-Duran (Colombia), Chair of the Nairobi Chapter of the Group of 77, conveyed the Chapter's endorsement of the draft and urged the ministers and officials to give their approval.

38. Mr. Isslamet Poernomo (Indonesia), Chair of Subcommittee I of the Committee of Permanent Representatives, said that the consultative process followed in preparing the UNEP medium-term plan was an indication of the increased transparency in the organizations modus operandi. Commending the document to ministers and officials, as it was based on the Nairobi Declaration, he briefly reviewed the seven subprogrammes and said that Subcommittee I, recognizing the practical difficulties and constraints entailed in preparing a medium-term plan, endorsed the flexible approach followed, which would enable the plan to be updated on a regular basis.

39. All the representatives taking the floor expressed their approval of the draft medium-term plan, which was seen as a strategic instrument representing a solid base for planning. Attention was drawn to a number of issues, including, inter alia, the need for an analysis of interlinkages among environmental conventions, with a view to identifying processes common to different instruments and their underlying shared concerns; the need to focus on the issues of natural disasters; the important role played by UNEP in promoting the integration of environmental aspects in all United Nations programmes; the responsibility for UNEP to ensure that trade and environment played a mutually supportive role in the context of trade and development; the commendable efforts by UNEP to provide technical backstopping for countries' implementation of conventions; and the need for an integrated approach to address the problem of poverty, in the light of the awareness that there could be no sustainable environmental protection without the eradication of poverty.

40. A number of specific suggestions were made, with a view to enriching and improving the draft plan, including the need, inter alia, for stronger integration of environment and economic issues; for strengthened monitoring and information activities; for more information on the state of the environment; for better dissemination of the documents; for a stronger regional perspective in addressing environmental problems, which would enhance the effectiveness of that work; and for increased capacity-building for developing countries. In addition, UNEP was encouraged not to limit its

role to that of advocacy but to pursue partnerships with other organizations, with a view, inter alia, to building capacity in developing countries for enforcement and to the promotion of research and development activities. UNEP was also requested to consider establishing a forum for environmental ministers from Africa and to give greater attention to the issue of environmental disasters.

41. With regard to regional cooperation, the representative of Turkey said that his country was establishing a regional environmental centre for countries in the region and in the Caucasus and he hoped that UNEP would support that initiative. The representative of a Central Asian country suggested that the medium-term plan should incorporate the establishment of a regional centre for the Central Asian region.

42. The representative of the World Conservation Union (IUCN) suggested that IUCN could play a role in the following three areas of the medium-term plan: policy development and law; the promotion of interlinkages among environmental conventions; and communication and public information activities.

43. In addition, several representatives submitted written comments containing possible amendments and improvements to the draft medium-term plan. Those submissions are contained in annex I to the present report.

44. Responding to concerns raised during the debate, the Executive Director reaffirmed that the integration of environmental issues and the eradication of poverty was a central focus of the work of UNEP and would be the subject of increased capacity-building efforts. In addition, with regard to the call for an increased focus on Africa, he recalled the decision by the Governing Council to declare Africa the fifth area of concentration for UNEP and noted the close cooperation with AMCEN. With regard to the issue of natural disasters and links with human settlements activities, he confirmed that UNEP was currently working with UNCHS (Habitat) in that area and noted the need to build on the synergies deriving from the co-location of different agencies in Nairobi. Finally, turning to the issue of the interrelationship of conventions, he confirmed that UNEP had been requested by the General Assembly to give attention to that matter.

45. Following those observations, the Committee agreed to endorse the medium-term plan.

V. IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTION 53/242 OF 28 JULY 1999: REPORT OF THE SECRETARY-GENERAL ON ENVIRONMENT AND HUMAN SETTLEMENTS

46. Under the item, the Executive-Director introduced his report on the status of implementation of General Assembly resolution 53/242 of 28 July 1999, which had been circulated to members of the Committee in document UNEP/HLC/4/INF/2.

47. Following that introduction, Mr. Bagher Asadi (Islamic Republic of Iran), coordinator of the open-ended informal consultations of the General Assembly on the report of the Secretary-General on environment and human settlements, reviewed the adoption process of resolution 53/242 and the

successful efforts to achieve consensus on the resolution. In the consultations which he had coordinated, all major concerns had been allayed and participants had been able to overcome the initial dichotomy between those countries which had attached greater importance to the provisions of the report and those which had supported its procedure and mechanisms. He briefly reviewed the major provisions of the resolution, which included:

(a) Strengthening of the United Nations office at Nairobi;

(b) Increased cooperation and coordination among UNEP and UNCHS (Habitat) activities;

(c) Establishment of the Environmental Management Group;

(d) Institution of an annual, ministerial-level environmental forum;

(e) Enhanced linkages and coordination among the environment-related conventions;

(f) Increased participation of major groups;

(g) Strengthened capacity of UNEP in such areas as Information, monitoring and assessment of trends;

(h) Increased role of capacity-building and technical assistance in the UNEP work programme; and

(i) Enhanced roles of UNEP as an implementing agency of GEF and of UNCHS (Habitat) in the implementation of the Habitat Agenda.

48. In conclusion, he said that, in the context of, on the one hand, the proliferation of environmental institutions, arrangements and instruments in the United Nations system and, on the other, the process of reform of that system, it was essential for UNEP to have a sharper focus on its coordinating and synergetic function, so that it could play a paramount role in the United Nations system in the coming century.

49. In the ensuing discussion, there was broad agreement on the importance of the measures set forth in the General Assembly resolution and on the need for their prompt and effective implementation. A number of representatives also stressed, in that context, the need for the necessary financial resources and political will.

50. With regard to the establishment of the Environmental Management Group, a number of representatives stressed the need to ensure balance in membership of the Group, which, in the view of one representative, should be based on an issues-management system and, in the view of another representative, speaking on behalf of a regional economic integration organization, should be headed by the Executive Director, reporting directly to the Secretary-General. Another representative believed that, as the Group was to be an interagency body, its membership should be confined to the United Nations system. Several representatives voiced their opinions on the terms of reference of the Group, which, it was urged, should take full account of the views of

developing countries and should focus on coordination aspects, in particular, between UNEP and UNCHS (Habitat), with a view to promoting synergies.

51. The idea of holding annual sessions of the Governing Council was also broadly supported and several representatives affirmed the need for UNEP to be strengthened as the central global forum on the environment with a key role to play in coordinating the various environmental conventions and ensuring interaction with the cross-sectoral Commission on Sustainable Development.

52. One representative believed that the annual meetings of the Governing Council should focus on sustainable development and poverty, while another believed that they would pave the way to the formation of a future world environment organization.

53. There was also wide support for efforts to strengthen the United Nations presence in Nairobi and, in particular, to strengthen coordination between UNEP and UNCHS (Habitat), as well as to enhance the role of UNEP in GEF.

54. In response to those views, the Executive Director reaffirmed the importance ascribed to those issues by UNEP and assured the Committee that they would be closely examined by the Governing Council. With regard to strengthening the United Nations presence in Nairobi, he drew attention, in particular, to the proposed extension of the conference facilities in Nairobi as outlined in his report on the construction project for that purpose, contained in document UNEP/HLC/4/INF/2/Add.1. Welcoming specific proposals put forward for items to be considered by the Governing Council at its special session in 2000, he assured the Committee that the agenda to be addressed at that special session would take stock of the interlinkages between environment and sustainable development and would be a truly millennium agenda.

VI. RESPONSE OF THE ENVIRONMENT TO THE PHENOMENON OF GLOBALIZATION

55. The panel discussion on the theme of globalization, agriculture and the environment was opened by the Executive Director, who introduced the members of the panel, namely: Mr. Mehmet Arda, Chief, Diversification and Natural Resources Section, Division of International Trade and Commodities, United Nations Conference on Trade and Development (UNCTAD); Ms. Geneviève De Bauw, Government and Public Affairs, Western Europe, Dow Chemicals; Mr. William H. Meyers, Chief, Agricultural Sector, Economic Development Service, FAO; Mr. Jorge A. Vigano, Counsellor, Trade and Environment Division, WTO; and Mr. Jack Wheelan, External Relations, International Fertilizer Industry Association (IFIA).

56. In his opening remarks, the Executive Director drew attention to a number of serious issues related to the topic under consideration, including the impact of pesticides on the environment; the problem of land erosion and the link between carbon sequestration capacity and agriculture; and the issue of eutrophication. Pointing out that all those issues were also related to trade, he stressed the need, in the run-up to the forthcoming session of WTO, to identify ways of integrating environmental and trade issues without using

the environment as a kind of non-tariff barrier to trade. A technical discussion of the link between environment and agriculture at the current meeting was particularly useful, in view of the prominence of agricultural issues on the agenda of the eighth session of the Commission on Sustainable Development.

57. The Executive Director also drew attention to the background document on the item, contained in document UNEP/HLC/4/3, on the response of the environment to the phenomenon of globalization.

58. In his presentation, Mr. Wheelan (IFIA) said that IFIA had some 500 members in 80 countries, and that more than half of its members were from developing countries, which in itself demonstrated the importance of the production and consumption of fertilizers in the developing world. IFIA also had close links with UNEP, through its Division of Technology, Industry and Economics, and was working on joint publications with the Division in such areas as the effects of fertilizers on environment and the benefits of fertilizers for food security and sustainable development. IFIA was interested in the issues of food security, but was also concerned by the related issues of water, climate change and trade and environment interlinkages, and was working on an input for the eighth session of the Commission on Sustainable Development, which, he said, offered an excellent opportunity to address such issues as water, climate change and trade and environment linkages.

59. He stressed the need for UNEP and Governments to understand the business perspective on globalization. Globalization, he said, was a series of political, social and economic interactions which had beneficial, as well as adverse effects. Globalization could be a vehicle for the fostering of good environmental policy and practice; for the expansion of direct foreign investment; for the promotion of trade in environmentally friendly technologies; and for the encouragement of scientific cooperation. He therefore urged UNEP to support the favourable aspects of globalization, in partnership with industry, and urged closer cooperation between UNEP and the business sector, for example, in implementation of the Convention to Combat Desertification, by promoting ways in which agriculture could be used to combat - rather than cause - land degradation.

60. Ms. De Bauw (Dow Chemicals) informed the Committee that Dow Chemicals, with operations in more than 150 countries, was a truly global organization and, accordingly, was concerned with the issue of globalization. In the field of agriculture, Dow activities were mainly in crop protection products and, to an increasing extent, biotechnology. The concept of sustainable agriculture was fully consistent with the company's own policy of promoting sustainable development and Dow Chemica's was committed to being a responsible player in the areas of both biotechnology and agricultural chemicals.

61. Drawing attention to the close links between the trade aspects of agriculture and the distribution of food, she stressed the need, in the coming millennium, for measures to ensure a better distribution of food supplies. Biotechnology, if applied in a transparent and responsible manner, could help address imbalances in that distribution. In addition, the business sector had an important role to play in capacity-building in

sustainable agricultural practices, such as integrated pest management (IPM), through a partnership of all stakeholders, including the business community, the government sector and non-governmental organizations.

62. Among questions facing the chemical industry in the coming millennium, she noted, in particular, the need to develop a more judicious and targeted use of agricultural chemicals. The phenomenon of globalization called for globally coordinated policies that took into account the diversity of economic, political and social conditions. As a global concern, Dow Chemicals also faced those concerns and it therefore welcomed the initiative by UNEP to seek stakeholders' input into the formulation of environmental policies.

63. Mr. Meyers (FAO) said that FAO was fully committed to the sustainable use of environmental resources and that commitment informed all its activities. In addition, FAO was committed to the development of partnerships with UNEP and other organizations to achieve its goals, as exemplified by joint work on the prior informed consent (PIC) procedure and under the Convention on Biological Diversity, and by the long-standing integrated pest management (IPM) programme in south and south-east Asia, under which it harnessed social and economic benefits in a win-win programme.

64. While FAO recognized that biotechnology and, in particular, genetically modified organisms provided a powerful tool for sustainable food production, it favoured a cautious approach to the release of products and stressed the need for proper risk assessment. At the same time, FAO accepted that responsibility for policy in biotechnology remained with countries themselves. Farmers should be encouraged to apply production systems in a sustainable way, such as through a judicious mix of organic, biological and chemical nutrients and the application of conservation tillage, or even no-till systems. To that end, Governments and organizations like FAO must ensure that farmers received the best available information and provided an appropriate enabling policy environment to encourage the introduction of sustainable agricultural production.

65. He stressed the importance of integrated planning and harmonization of national policies on natural resources and the environment among various ministries and stakeholders to ensure that conflicting goals were resolved and farmers were not faced with conflicting or frequently changing incentive structures.

66. Mr. Arda (UNCTAD) pointed out that agriculture was the least globalized and, therefore, least liberalized sector under WTO, therefore, any future advances towards globalization would inevitably have a heavy impact on agriculture. Agriculture had both positive and negative impacts on the environment and it was important through the judicious use of technology, to ensure that agriculture actually improved such resources as soil, biodiversity and water. In addition to the factors affecting agricultural practices already mentioned by other speakers, he drew attention, in particular, to consumer preferences in importing countries.

67. Globalization should lead to a better allocation of resources, in accordance with the comparative advantage of each country, and, in agriculture, it could help redress the imbalance between the respective

shares of developing and developed countries in agricultural exports, provided market-disturbing factors were removed and resources given their proper value. To that end, it was important to establish what the effects of globalization were on the economy in general; on economic conditions in a given country; and on how producers would respond to changes in economic conditions.

68. In that process, it was essential to combine various types of expertise, such as provided by FAO, UNEP and UNCTAD, so as to harness the resulting synergies and to exploit the comparative advantages of each organization. In conclusion, he stressed the need, when addressing the impact of globalization and when choosing appropriate policies, to take account of the essential requirements of the world's poor.

69. Mr. Vigano (WTO) said that agriculture had always been treated in a different way in the trade agenda over the years: the rules applicable to agriculture were more relaxed and subsidies were allowed. Only in 1994, at the end of the Uruguay round, did a package of commitments emerge containing liberalization elements and leading to a reduction of protective measures in agriculture. There was a commitment to continue negotiations on such measures at the end of the current six-year reform process, i.e., in 2000. Trade negotiations in that area were still under way.

70. Agriculture continued to be promoted by many members of WTO as a sector for liberalization. While some members felt that the removal of subsidies could have a negative impact on the environment, studies had also shown that international trade liberalization was, in general, a positive phenomenon where the environment was concerned, although national circumstances could neutralize those benefits.

71. Noting that a new round of liberalization was to be launched in 2000, which would include agriculture, he called on all members to consider, in the light of current improved knowledge of links between trade and the environment, what contribution they could make to the process, which, in the long-run, would have implications for the environment.

VII. ELECTION OF THE BUREAU OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS FOR THE PERIOD 1999-2001

72. The High-level Committee of Ministers and Officials was established pursuant to Governing Council decision 19/32 of 4 April 1997, which, inter alia, gave it the mandate to make reform and policy recommendations and to provide advice to the Executive Director on emerging environmental issues.

73. At the Committee's fourth meeting, on 1 November 1999, the representative of Mexico, supported by the representatives of Argentina, Finland, on behalf of member States of the European Union, and Kenya, proposed that the mandate of the High-level Committee of Ministers and Officials should be reviewed by the Governing Council at its next session. That proposal was made in the light of the decision by the General Assembly that the Governing Council of UNEP should thenceforth meet on an annual basis, which might render the High-level Committee of Ministers and Officials redundant or, at the very least, necessitate the reform of its role.

74. Accordingly, at its fourth meeting, the High-level Committee of Ministers and Officials decided not to elect a new Bureau and agreed, instead, that the existing Bureau should remain in office. In accordance with the system of rotation adopted by the group of Latin American and Caribbean countries, the post of Vice-Chair held by that region passed to the representative of Peru.

75. The Committee further agreed that the Bureau should submit a report to the Governing Council, at its next session, containing proposals on the future of the High-level Committee of Ministers and Officials.

VIII. OTHER MATTERS

76. Under the item, Mr. Bagher Asadi, Co-Chair of the Intergovernmental Forum on Forests (IFF), informed the Committee on progress in the IFF process, the prospects for the fourth session of IFF and his perceptions of the future role of UNEP. Noting that the fourth and final session of IFF would be taking place in New York from 31 January to 11 February 2000, he expressed appreciation to UNEP for its support to IFF, including through the secondment of a senior officer to the IFF secretariat and for its implementation of key elements of the IFF programme of work, within the Interagency Task Force on Forests (ITFF). He stressed the need for the continued active participation by a revitalized UNEP, providing the environmental dimension in future international arrangements and mechanisms on forests, as decided by the Commission on Sustainable Development at its forthcoming eighth session. In particular, UNEP could play three critical roles in future forest policy, namely, providing leadership; enhancing partnership; and strengthening coordination.

77. With regards to its leadership role, UNEP would have a key role in facilitating implementation of the IPF proposals for action in the three programme elements under its responsibility, namely, needs of countries with low forest cover; underlying causes of deforestation and forest degradation; and forest conservation and protected areas.

78. With regard to its partnership role, UNEP should make a substantive contribution in the areas of trade and environment in relation to forest products and services; the transfer of environmentally sound technologies to support sustainable forest management; forest biological diversity; and criteria and indicators for forest stainability.

79. With regard to its coordination role, UNEP should promote synergies among different environment-related and forest-related international agreements, in support of the commission on sustainable development decision on international arrangements and mechanisms to promote the management, conservation and sustainable development of all types of forests.

80. In conclusion, he stressed the need for continued high-level and active participation of UNEP in ITFF and also urged ministers and high-level officials in charge of environment to pursue strengthened cooperation between the environment department and the forest sector in their respective countries.

IX. ADOPTION OF THE REPORT

81. In view of the time constraints at the meeting, the Committee decided to entrust the Rapporteur, working in consultation with the secretariat, with the preparation of the report of the meeting. The present report has been prepared in accordance with that decision.

X. CLOSURE OF THE MEETING

82. In his concluding statement, the Executive Director said that the perhaps over-ambitious agenda set for the fourth meeting of the Committee was an indication of the high level of interest in, and importance of, the issues which it addressed. He invited participants to submit to the UNEP secretariat, in writing, their comments and views on those issues, which would then serve as an input to the Governing Council.

83. Following those closing remarks, the fourth meeting of the High-level Committee of Minsters and Officials was declared closed at 6.15 p.m on 1 November 1999.

Annex I

SUGGESTIONS BY MEMBERS OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS ON ISSUES BEFORE THE COMMITTEE AT ITS FOURTH MEETING

A. Submission by the European Union, relating to the contribution by UNEP to the United Nations medium-term plan for the period 2002-2005 (agenda item 4)

84. The European Union welcomes the medium-term plan of UNEP and compliments the secretariat for the high standard of the programme, representing a solid base for planning. The medium-term plan is of great importance as a strategic instrument orienting the future work of the United Nations. Accordingly, the European Union considers it important that the future corresponding plans of UNEP will be discussed by the Governing Council, taking also into account a strategy for stable, adequate and predictable funding for UNEP and bearing in mind the coming tasks of UNEP in the light of the guidance from the comprehensive review of Agenda 21 in 2002.

85. In the sector of environmental information, assessment and early warning, the European Union compliments UNEP for the publishing of the Global Environmental Outlook report series, that in itself represents a cornerstone in the large spectrum of environmental information. UNEP has created a well-developed and active system of collaborating centres and the European Union underlines the importance of this work also in the future. The third report in the GEO series will be a valuable contribution from UNEP in the preparation for a successful outcome of the Earth Summit in 2002.

86. In the field of environmental policy development and law, the European Union underlines the important role of UNEP in exploring how environmental aspects could be better integrated in United Nations programmes and in promoting practical experiences of environmental integration in close cooperation with other relevant United Nations agencies. This forms the core of the normative activities of UNEP and the European Union would like to reiterate its earlier proposal to evaluate the implementation and effectiveness of the Montevideo Programme II and to prepare a new strategic environmental law programme for the first decade of the next millennium. Among the issues the new programme should include are assessment and early warning and making environmental information available to the public without delay.

87. In its own activities, the European Union has had as a guiding principle an improved access to environmental information for the public and is pleased to note that the importance of this is recognized in the plan. This principle has a bearing both on subprogramme 2, on environmental policy development and law, and on subprogramme 7, on communications and public information.

88. The European Union is of the opinion that the policy and advisory services of UNEP, particularly in the area of trade and environment, are essential elements of the UNEP programme and that UNEP should contribute to ensuring that trade and environment become mutually supportive in favour of sustainable development, especially also in the context of a new trade round. UNEP needs to concentrate on its areas of expertise and cooperate effectively

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with UNCTAD and WTO. UNEP can play a role by identifying ways to promote positive synergies and win-win-win situations between trade, environment and development. It should also promote the integration of internationally agreed environmental principles, in particular the precautionary principle, into the international trading system. UNEP should contribute to the clarification of the relationship between multilateral environmental agreements and WTO rules. It should promote environmental expertise in the WTO dispute-settlement procedures. Finally, UNEP has a contribution to make to cooperation and information exchange with WTO, in order to promote the trade community's awareness of the rationale of using trade measures in certain multilateral environmental agreements.

B. Submission by Japan, relating to the issue of globalization, agriculture and the environment

89. We understand that document UNEP/HLC/4/3, under this agenda item, reviews the negative environmental impacts of agricultural activities, without provision of benefits to the environment. It also points out some of the negative environmental impacts of the agricultural policy itself. It seems to us that the basic tone of this discussion in the document is based only on aspects of agriculture because it focuses on the environmental negative externality of agriculture, and explains only destructive environmental impacts of government subsidies for agriculture.

90. Taking the nature of this document into consideration, we think it necessary to point out the economical externality of agriculture and appropriate agricultural policy, which has positive environmental impacts, in order to discuss this issue on balance. We acknowledge that, among the negotiations on the Agreement on Agriculture of WTO, payments for environmental programmes were exempted from reduction commitments. This fact proves that there exist some useful measures under the agricultural policy.

91. We would therefore like to propose that a review of the positive environmental externality of agriculture and the handling of domestic agricultural policy in the Agreement on Agriculture of the WTO should be included in document UNEP/HLC/4/3. The amendments proposed by the European Union are provided below.

92. We think it important to investigate and assess the environmental impact of agriculture to a much greater extent and it is necessary for UNEP to do this in order to contribute to the discussions in other international organizations such as Commission on Sustainable Development.

Amendment 1: After paragraph 13, the following paragraph should be inserted:

"On the other hand, agricultural production has positive external effects such as flood and sediment flow prevention by terraced fields or by maintaining rural landscapes. In some cases, farmers may not be remunerated for the environmental benefits that they generate, while certain revenues from the provision of agri-environmental services constitute an incentive to maintain or enhance beneficial environmental outputs. Such beneficial environmental impacts will not be achieved when

farming activities related to positive environmental outputs are abandoned."

Amendment 2: After paragraph 16, the following should be inserted:

"In some developed countries, agriculture has contributed to the provision of wildlife habitats and maintenance of biodiversity when farmers adopt good farming practices which are appropriate to regional agri-environmental conditions."

Amendment 3: The whole of paragraph 18 should be deleted.

Amendment 4: The last two sentences of paragraph 19 should be deleted and the following should be inserted:

"The positive and negative effects of agriculture on the environment have become an important issue to consider in designing new agricultural and environmental measures. Such effects have a growing impact in modifying existing agricultural support programmes and evaluating projects in the agri-food sector."

Amendment 5: Paragraph 21 should be deleted.

Amendment 6: The following phrase in paragraph 22 should be deleted: "Since the 1950s, Industrialized countries ... environmental implication and distort trade"

Amendment 7: After paragraph 24, the following two paragraphs should be inserted:

"At the same time, the positive effects of agriculture on the environment should not be overlooked. Having become more aware of the significance of global climate change and the necessity of environmental conservation, many countries have started to use agricultural policies such as domestic support measures to encourage so-called 'environment-friendly' agriculture. Moreover, Governments have started to use support measures to realize the multifunctionality of agriculture. The concept has been intensively discussed in international forums such as the Food and Agriculture Organization of the United Nations (FAO) and the Organisation for Economic Cooperation and Development (OECD), and have been acknowledged by the international community.

"One of the major achievements of the negotiations in the Uruguay Round was to establish a clear distinction between various kinds of domestic support. The distinction was based on a consideration as to whether or not the support would distort trade in agriculture or have effects on production. As a consequence, in the Agreement on Agriculture of WTO some support measures that have no, or at the most only minimal, trade-distorting effects were exempted from reduction commitments. For instance, payments for environmental programmes

were categorized into so-called "Green Box" measures, while trade-distorting supports, such as market price support, were grouped into the "Amber Box". This was a clear departure from the past preconceived notion that almost all domestic support on agriculture had some negative effects on trade, and even more, on environment. This indicates that there is a growing recognition of some of the positive impacts that agricultural supports have, even for the environment."

Amendment 8: Paragraph 26 should be replaced by the following:

"The WTO Agreement on Agriculture represents only a partial liberalization agreement; quantitative reductions in support to agriculture are relatively small and spread over several years. For that reason, a large degree of distortion in the word agricultural commodities market will remain, even after the complete implementation of reduction commitments. Though the built-in agenda of the Agreement on Agriculture, however, future discussions are poised to reduce the remaining barriers still further."

Amendment 9: The whole of paragraph 28 should be deleted.

Amendment 10: In line 5 of paragraph 29, the phrase "that $13 billion is lost per year" should be replaced by the phrase "that $13 billion is spent per year".

Amendment 11: In line 7 of paragraph 29, the phrase "thus increasing water pollution and soil degradation" should be replaced by the phrase "thus increasing the risk of misuse of these chemicals that result in water pollution and soil degradation".

C. Submission by the United States of America, relating to the contribution by UNEP to the United Nations medium-term plan for the period 2002-2005 (agenda item 4)

1. Paragraph 35, chapeau:

(a) We believe that the first sentence should read: "Building on and consistent with the Nairobi Declaration ...";

(b) We also request further clarification of what UNEP will do "... to develop appropriate policy responses ...", as indicated in the sixth line of the chapeau. Policy responses are the job of Governments and we would like to understand the expected role of UNEP in this regard.

2. Subparagraph 35 (b): The term "advocate" implies a less than neutral stance in addressing policy measures. "Neutrality" is one of the most important assets of UNEP and it must be protected. We believe that the sentence should read: "To identify and help further develop the use of appropriate policy measures ..." (continue with original text from this point).

3. Subparagraph 35 (c): The subpoints following subparagraph (c) repeat subparagraphs (a) and (c) and are unnecessary. This subparagraph also again uses the word "advocacy" and it is not clear why only (c) has detail. We suggest cutting the subparagraph to include only the first sentence of subparagraph (c).

4. Subparagraph 35 (d): This subparagraph repeats subparagraph (c) and is unnecessary.

5. Paragraph 37: Contains two "c's." Should these be relettered or was one supposed to be cut?

6. Subparagraph 37 (e): Add "where appropriate" after "environmental issues ...", since the mandate of the Environmental Management Group is limited to recommendations and it is not intended to have executive authority.

7. Subparagraph 46 (b): We believe that UNEP should look not only at root causes of environmental concerns, the issue which is mentioned, but also at efforts to build capacity and expertise, particularly in the developing world, to address those existing concerns.

8. Subparagraph 46 (b): We believe that reference to GEO should be deleted from the last line, because priorities for policy development should not be limited to GEO, but should include results of all aspects of the new monitoring and assessment programme.

9. Subparagraph 47 (d): At the end, add " ... while keeping in mind the United Nations General Assembly-approved informal consultative process on oceans and seas, which also seeks to improve international cooperation and coordination."

Annex II

LIST OF DOCUMENTS BEFORE THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS AT ITS FOURTH MEETING

Symbol	Title
UNEP/HLC/4/1	Provisional agenda
UNEP/HLC/4/1/Add.1	Annotated provisional agenda
UNEP/HLC/4/2	Contribution of the United Nations Environment Programme to the United Nations medium-term plan for the period 2002-2005
UNEP/HLC/4/3	Response of the environment to the phenomenon of globalization
UNEP/HLC/3/5	Report of the third meeting of the High-level Committee of Ministers and Officials
UNEP/HLC/4/INF/1	Report of the Executive Director on recent activities of the United Nations Environment Programme
UNEP/HLC/4/INF/2	Report of the Executive Director on the status of implementation of General Assembly resolution 53/242 of 28 July 1999: Report of the Secretary-General on environment and human settlements
UNEP/HLC/4/INF/3	List of documents before the fourth meeting of the High-level Committee of Ministers and Officials
UNEP/HLC/4/INF/4	Statement by the Nairobi Chapter of the Group of 77 and China on General Assembly resolution 53/242 of 28 July 1999, on the report of the Secretary-General on environment and human settlements, and the Ministerial Declaration of the twenty-third annual meeting of Ministers for Foreign Affairs of the Group of 77, New York, 24 September 1999
UNEP/HLC/4/INF/5	List of participants